KKR Income Opportunities Fund Form N-Q March 24, 2016

# UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

### **FORM N-Q**

# QUARTERLY SCHEDULE OF PORTFOLIO HOLDINGS OF REGISTERED MANAGEMENT INVESTMENT COMPANY

Investment Company Act file number (811-22543)

KKR Income Opportunities Fund (Exact name of registrant as specified in charter)

KKR Credit Advisors (US) LLC

555 California Street, 50th Floor

San Francisco, California (Address of principal executive offices)

94104 (Zip code)

U.S. Bancorp Fund Services. LLC

615 East Michigan Street

Milwaukee, WI 53202 (Name and address of agent for service)

Registrant s telephone number, including area code: (415) 315-3620

Date of fiscal year October 31, 2016

end:

Date of reporting period: January 31, 2016

Item 1. Schedule of Investments.

#### Income Opportunities Fund

January 31, 2016

(Unaudited)

#### Schedule of Investments

		Par	Value
HIGH YIELD SECURITIES - 69.7%			
Air Freight & Logistics - 4.2%			
XPO Logistics, Inc.			
7.875%, 09/01/2019 (a)		5,317,000 \$	5,303,708
6.500%, 06/15/2022 (a)		4,986,000	4,462,470
, , , , , , , , , , , , , , , , , , , ,		, ,	9,766,178
Banks - 3.3%			
Novo Banco SA			
0.000%, 02/19/2049 (a) (g) (i)	EUR	8,602,000	908,554
0.000%, 02/27/2051 (a) (g) (i)	EUR	3,601,000	390,094
0.000%, 04/09/2052 (g) (i)	EUR	246,000	26,649
SquareTwo Financial Corp.		,	,
11.625%, 04/01/2017 (d) (e)		14,720,000	6,329,600
		, ,	7,654,897
Building Products - 5.0%			.,,
Builders FirstSource, Inc.			
10.750%, 08/15/2023 (a)		2,678,000	2,507,278
New Enterprise Stone & Lime Co., Inc.		_,,,,,,,,,	_,= 0 + ,= + 0
13.000%, 03/15/2018 (c) (d) (e)		8,843,516	9,020,386
-2.0000,2, 00, 20, 20, 20, 20, 20, 20, 20,		0,010,000	11,527,664
Chemicals - 4.7%			,,
Platform Specialty Products Corp.			
10.375%, 05/01/2021 (a)		6,534,000	6,109,290
Univar, Inc.		-,,	-,,
6.750%, 07/15/2023 (a)		5,387,000	4,767,495
		2,227,000	10,876,785
Communications Equipment - 1.1%			10,070,700
Riverbed Technology, Inc.			
8.875%, 03/01/2023 (a)		2,772,000	2,532,915
(a)		2,772,000	2,002,910
Construction Materials - 5.6%			
Cemex Materials LLC			
7.700%, 07/21/2025 (a)		13,760,000	12,865,600
		,,	,,
Diversified Telecommunication Services - 1.2%			
Zayo Group LLC.			
6.375%, 05/15/2025		2,917,000	2,829,490
0.0.10.10, 0.0.110.110.110		2,717,000	2,027,170
Electric Utilities - 2.5%			
Dynegy, Inc.			
7.375%, 11/01/2022		3,077,000	2,723,145
7.625%, 11/01/2024		3,507,000	3,086,160
1.020 10, 1110112021		5,507,000	5,809,305
			3,007,303

Electronic Equipment, Instruments & Components - 3.6%		
Artesyn Technologies, Inc.		
9.750%, 10/15/2020 (a)	9,594,000	8,346,780
Hotels, Restaurants & Leisure - 2.7%		
ClubCorp Club Operations, Inc.		
8.250%, 12/15/2023 (a)	3,218,000	3,073,190
MGM Resorts International		
8.625%, 02/01/2019	2,947,000	3,280,379
		6,353,569

		Par	Value
HIGH YIELD SECURITIES - 69.7% (continued)			
Household Durables - 0.1%			
The Hillman Group, Inc.			
6.375%, 07/15/2022 (a)		354,000	\$ 295,590
Insurance - 3.7%			
Hub International Ltd.			
7.875%, 10/01/2021 (a)		5,000,000	4,387,500
Towergate			
8.750%, 04/02/2020 (a) (d) (e) (g)	GBP	3,310,813	4,045,344
TT C			8,432,844
IT Services - 0.9%			
iPayment Investors LP		2 0 6 0 1 4 7	2 000 020
9.500%, 12/15/2019 (a) (d) (e)		2,068,147	2,088,828
Machinery 0.7%			
Machinary - 0.7% Nesco			
6.875%, 02/15/2021 (a)		2,797,000	1,678,200
0.013 N, 02/13/2021 (a)		2,797,000	1,076,200
Media - 7.9%			
Block Communications, Inc.			
7.250%, 02/01/2020 (a)		418,000	414,865
Cequel Communications Holdings LLC		,	
7.750%, 07/15/2025 (a)		7,151,000	6,400,145
Clear Channel International BV		., . ,	, , , , ,
8.750%, 12/15/2020 (a)		1,586,000	1,562,210
Clear Channel Outdoor, Inc., Series B			
7.625%, 03/15/2020		3,815,000	3,142,606
Intelsat Jackson Holdings SA			
7.250%, 04/01/2019 (g)		3,872,000	3,513,840
5.500%, 08/01/2023 (g)		4,150,000	3,309,625
			18,343,291
Oil, Gas & Consumable Fuels - 4.4%			
Bill Barrett Corp.			
7.000%, 10/15/2022		7,699,000	4,292,193
Hilcorp Energy I LP (Hilcorp Finance Co.)			
7.625%, 04/15/2021 (a)		2,864,000	2,599,080
The Williams Cos., Inc.			
4.550%, 06/24/2024		5,038,000	3,287,743
			10,179,016
Road & Rail - 2.4%			
The Kenan Advantage Group, Inc.			
7.875%, 07/31/2023 (a)		5,531,000	5,399,639
Semiconductors & Semiconductor Equipment - 1.4%			
Micron Technology, Inc.		2.070.000	2 222 222
5.250%, 01/15/2024 (a)		3,979,000	3,232,938

TIBCO Software, Inc.  1.375%, 1201/2021 (a) 3,594,000 2,983,02 3,628,33  Specialty Retail - 7.18  Guitar Center, Inc. 6.500%, 04/15/2019 (a) 4,408,000 3,713,74 1.520,000 3,713,74 1.520,000 3,713,74 1.520,000 3,730%, 04/15/2019 2,980,000 3,030,000 3,735%, 04/01/2017 2,980,000 3,030,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,130,000 3,152,150 3,100,000	Par	Value
Datalet, Inc.		
9,000%, 0,9730/2023 (a) \$16,000 \$ 479,81 TIBCO Software, Inc.  11.375%, 1201/2021 (a) 3,594,000 2,983,02 3,462,83 Specialty Retail - 7.1%  Guitar Center, Inc.  6,500%, 0,415/2019 (a) 4,408,000 3,713,74 LC. Penney Corp., Inc.  7,950%, 0,4001/2017 298,000 303,96 5,750%, 0,2015/2018 1,617,000 1,528,06 8,125%, 1,001/2019 7,277,000 6,675,69 5,650%, 0,601/2020 2,216,000 2,216,000 2,075,70 The Mens Wearhouse, Inc.  Textiles, Apparel & Luxury Goods - 1.3%  Hot Topic, Inc.  12,000%, 0,5715/2019 (a) 1,184,000 1,038,96 1,040,000 1,038,96 2,258,600,1020 2,151,201 1,184,000 1,038,96 2,259%, 0,615/2021 (a) 2,168,000 1,038,96 2,297,932 (b) 1,000,000,000,000,000,000,000,000,000,0		
TIBCO Software, Inc.  1.375%, 120/12021 (a)  Specialty Retail - 7.1%  Guitar Center, Inc.  6.500%, 6.4/15/2019 (a)  4.408.000  3.713,74  T.C. Penney Copp. Inc.  7.950%, 6.40/11/2019  2.98.000  3.03.05  3.750%, 6.0/15/2018  1.610.00  3.713,74  1.721.00  3.03.06  3.735%, 6.0/15/2018  1.610.00  3.735%, 6.0/15/2018  1.610.00  3.727.200  3.03.06  3.750%, 6.0/15/2018  1.610.00  3.713,74  1.721.00  3.03.06  3.06  3		
11.375%, 1.201/2021 (a) 2,983.02 3,662,83 Specially Retail - 7.1% Guitar Center, Inc. 6.500%, 401/52019 (a) 4,408,000 3,713,74 I.C. Penney Corp., Inc. 7.595%, 4001/2017 298,000 303.05 5,750%, 021/52018 1,617,000 1,528,006 5,750%, 021/52018 1,617,000 2,752,000 6,675,69 5,550%, 0601/2020 2,516,000 2,075,70 The Mens Wearhouse, Inc. 7.700%, 6707/10202 3,010,000 2,152,15 Textiles, Apparel & Luxury Goods - 1.3% Hot Topic, Inc. 12.000%, 051/52019 (a) 1,184,000 1,038,96 2,959%, 061/52021 (a) 1,684,000 1,940,36 2,979,32 Wireless Telecommunication Services - 4.4% GCI, Inc. 6.750%, 0601/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp. 7.875%, 09/15/2023 1,1642,000 1,174,03 10,230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Sequa Corp., Tl. II. 12/12 5,250%, 06/19/2021 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7,750%, 04/01/2022 (b) 8,02,595 7,617,84 Hanson Building Products North America, Tl. II. B 02/15 Chemicals - 1.2% Emerated Performance Materials LLC, TL 2L 07/14 7,750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., Tl. II. 10/15 5,00%, 06/08/2020 (b) 25,98,597 2,423,19	516,000	\$ 479,815
Specially Retail - 7.1%   Guitar Center, Inc.		
Specially Retail - 7.1%   Guitar Center, Inc.	3,594,000	2,983,020
Guitar Center, Inc.         4,408,000         3,713,74           LC, Penney Corp., Inc.         298,000         303,96           7,575%, 0,401/2017         298,000         1,528,06           8,125%, 1,001/2019         7,272,000         6,675,09           8,125%, 1,001/2019         2,516,000         2,075,70           The Mens Wearhouse, Inc.         3,010,000         2,152,15           Textiles, Apparel & Luxury Goods - 1,3%         16,449,31           Hot Topic, Inc.         1,184,000         1,038,96           12,000%, 0,51/5/2019 (a) (c)         1,184,000         1,038,96           9,250%, 0,61/5/2021 (a)         2,168,000         2,979,32           Wireless Telecommunication Services - 4.4%         GCL, Inc.         2           6.750%, 0,601/2021         5,100,000         5,061,75           6.875%, 0,415/2025         4,076,000         3,994,48           Sprint Corp.         10,230,26         1,124,00           TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734)         161,335,25           LEVERAGED LOANS - 66.1%           Aerospace & Defense - 1.6%         8,621,960         8,248,32           Sepula Corp., T. II. 1,1212         5,250%, 06/19/2017 (b)         5,493,930         3,616,84           Building Products - 6		3,462,835
6.500%, 0.415/2019 (a) 4,408,000 3,713,74 I.C. Penney Corp., Inc. 7.590%, 0.401/2017 298,000 303,96 5.750%, 0.2715/2018 1,617,000 1,528,00 5.750%, 0.2715/2018 1,617,000 1,528,00 5.650%, 0.601/2020 7,272,000 6,675,69 5.650%, 0.601/2020 3,010,000 2,075,70 The Mens Wearhouse, Inc. 7.500%, 0.701/2022 3,010,000 2,152,15 Textiles, Apparel & Luxury Goods - 1,3% Hot Topic, Inc. 12.000%, 0.5715/2019 (a) (a) 1,038,96 5.250%, 0.615/2019 (a) 2,168,000 1,938,96 5.250%, 0.615/2019 (a) 2,168,000 1,940,36 5.750%, 0.615/2011 3,000 1,938,96 5.750%, 0.615/2011 3,000 1,938,96 5.750%, 0.601/2021 5,100,000 5,061,75 6.750%, 0.661/2021 5,100,000 5,061,75 6.750%, 0.661/2021 5,100,000 3,994,48 5print Corp. 7.875%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,174,03 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,642,000 1,750%, 0.69/15/203 5.750%, 0.69/15/203 1,750%, 0.69/15/203 5.760%, 0.69/15/203 1,750%, 0.69/15/203 5.760%, 0.69/15/203 1,750%, 0.69/15/203 5.760%, 0.69/15/203 1,750%,		
C. Penney Corp., Inc.   298,000   303,96   5,750%, 04/01/2017   298,000   1,528,06   5,750%, 04/01/2019   7,272,000   6,675,69   6,505%, 06/01/2020   2,516,000   2,075,70   7,272,000   6,675,69   6,505%, 06/01/2020   2,516,000   2,075,70   7,000%, 07/01/2022   3,010,000   2,152,15   1,649,31   1,549,000   1,549,15   1,549,15		
7.950%, O4/01/2017 7.950%, O4/01/2019 7.950%, O4/01/2019 7.272,000	4,408,000	3,713,740
5.750%, 02/15/2018 5.750%, 02/15/2018 5.750%, 05/01/2019 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2020 5.650%, 06/01/2021 6.750%, 06/01/2020 6.750%, 06/01		
8.125%, 10/01/2019	298,000	303,960
5.650%, 0s/01/2020       2,516,000       2,075,70         The Mens Wearhouse, Inc.       3,010,000       2,152,15         7.000%, 07/01/2022       3,010,000       2,152,15         16,449,31       1       16,449,31         Textiles, Apparel & Luxury Goods - 1.3%         Hot Topic, Inc.       1,184,000       1,080,36         2,250%, 0s/15/2019 (a) (c)       1,184,000       1,040,36         9,250%, 0s/15/2021 (a)       2,079,32         Wireless Telecommunication Services - 4.4%       5       2,079,32         GCI, Inc.       5       10,000       5,061,75         6,750%, 0s/01/2021       5,100,000       5,061,75         6,875%, 0s/15/2023       1,642,000       1,174,03         7,875%, 0s/15/2023       1,642,000       1,174,03         TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734)       161,335,25         LEVERAGED LOANS - 66.1%         Acrospace & Defense - 1.6%         Seque Corp., Tl. II. 12/12         5,250%, 0s/19/2017 (b)       5,493,930       3,616,84         Building Products - 6.8%         Gypsum Management & Supply, Inc., TL 2L 03/14       8       8       2,595       7,617,84         6,500%, 03/14/2022 (b)	1,617,000	1,528,065
5.650%, 0s/01/2020       2,516,000       2,075,70         The Mens Wearhouse, Inc.       3,010,000       2,152,15         7.000%, 07/01/2022       3,010,000       2,152,15         16,449,31       1       16,449,31         Textiles, Apparel & Luxury Goods - 1,3%         Hot Topic, Inc.       1,184,000       1,080,36         12,000%, 05/15/2019 (a) (c)       1,184,000       1,040,36         9,250%, 06/15/2021 (a)       2,079,32         Wireless Telecommunication Services - 4,4%       5,100,000       5,061,75         6,750%, 06/01/2021       5,100,000       5,061,75         6,875%, 04/15/2025       4,076,000       3,994,48         Sprint Corp.       7,7875%, 09/15/2023       1,642,000       1,174,03         10,330,25       1,174,03       10,230,26         TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734)       5,493,030       3,616,34         Sequa Corp., Ti. It. 12/12       5,250%, 06/19/2017 (b)       5,493,930       3,616,84         Building Products - 6.8%       6       6       8,243,93         Gypsum Management & Supply, Inc., Ti. 2t. 03/14       8,621,960       8,248,32         Hanson Building Products North America, Ti. It. B 02/15       8,601,960       8,248,32         Chemicals	7,272,000	6,675,696
The Mens Wearhouse, Inc. 7,000%, 07/01/2022 3,010,000 2,152,15 16,449,31  Textiles, Apparel & Luxury Goods - 1.3% Hot Topic, Inc. 12,000%, 05/15/2019 (a) (c) 1,184,000 1,038,96 9,250%, 06/15/2021 (a) 2,168,000 1,940,36 2,979,32  Wireless Telecommunication Services - 4.4% GCI, Inc. 6,750%, 06/01/2021 5,100,000 5,061,75 6,875%, 04/15/2025 4,076,000 3,994,48  Sprint Corp. 7,875%, 09/15/2023 1,642,000 1,174,003 10,230,26  TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,255  LEVERAGED LOANS - 66.1%  Aerospace & Defense - 1.6%  Sequa Corp., TL IL 12/12 5,250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14 7,750%, 08/01/2022 (b) 8,621,960 8,248,32  Handing Products - 1.2%  Emerald Products North America, TL IL B 02/15 6,500%, 03/14/2022 (b) 8,082,595 7,617,84  The Finerald Performance Materials LLC, TL 2L 07/14 7,750%, 08/01/2022 (b) 26,8490 254,11  Platform Specialty Products Corp., TL IL 10/15 5,500%, 06/05/2020 (b) 2,598,597 2,423,19		2,075,700
Textiles, Apparel & Luxury Goods - 1.3%	, ,	· ·
Textiles, Apparel & Luxury Goods - 1.3%	3,010,000	2,152,150
Textiles, Apparel & Luxury Goods - 1.3% Hot Topic, Inc. 12.000%, 05/15/2019 (a) (c) 1,184,000 1,038,96 9.250%, 06/15/2021 (a) 2,168,000 1,940,36 2,979,32 Wireless Telecommunication Services - 4.4% GCI, Inc. 6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp. 7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26  TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	, ,	16,449,311
Hot Topic, Inc.   12.000%, 05/15/2019 (a) (c)   1,184,000   1,038,96   1,250%, 06/15/2021 (a)   2,168,000   1,940,36   2,979,32   2,979,32   2,979,32   2,979,32   2,250%, 06/15/2021 (a)   5,100,000   5,061,75   6,875%, 06/01/2021   5,100,000   5,061,75   6,875%, 06/01/2025   4,076,000   3,994,48   5,750%, 06/01/2025   4,076,000   3,994,48   3,023,026   3,025,026		-, -,-
12.000%, 05/15/2019 (a) (c) 1,184,000 1,038,96 9.250%, 06/15/2021 (a) 2,168,000 1,940,36 2,979,32 Wireless Telecommunication Services - 4.4% GCI, Inc.  6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp. 7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5,250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7,750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6,500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7,750%, 08/01/2022 (b) 26,8490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5,500%, 06/05/2020 (b) 2,598,597 2,423,19		
9.250%, 06/15/2021 (a) 2,168,000 1,940,36 2,979,32 Wireless Telecommunication Services - 4.4% GCI, Inc. 6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp. 7.875%, 09/15/2023 1,642,000 1,174,03 10.230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 26,8490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	1.184.000	1,038,960
Section	, ,	, ,
Wireless Telecommunication Services - 4.4% GCI, Inc.  GCI, Inc.  6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp.  7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 10,230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25 LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 8,621,960 8,248,32 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 8,082,595 7,617,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 8,082,595 7,617,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2012 (b) 8,082,595 7,617,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2012 (b) 8,082,595 7,617,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2012 (b) 8,082,595 7,617,84 Sequa Corp., TL 1L 12/12 5.250%, 06/19/2012 (b) 268,490 254,11 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 25,98,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequal Performance Materials LLC, TL 2L 07/14 7.750%, 06/05/2020 (b) 2,598,597 2,423,19 Sequ	_,,	
GCI, Inc. 6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp. 7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26  TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2020 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
6.750%, 06/01/2021 5,100,000 5,061,75 6.875%, 04/15/2025 4,076,000 3,994,48 Sprint Corp.  7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26  TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1% Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
6.875%, 04/15/2025	5.100.000	5.061.750
Sprint Corp. 7.875%, 09/15/2023	, ,	
7.875%, 09/15/2023 1,642,000 1,174,03 10,230,26  TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734) 161,335,25  LEVERAGED LOANS - 66.1%  Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	1,070,000	2,221,100
10,230,26 TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734)  LEVERAGED LOANS - 66.1%  Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b)  Square Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b)  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b)  Remerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b)  Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b)  268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	1.642.000	1.174.030
TOTAL HIGH YIELD SECURITIES (amortized cost \$189,513,734)  LEVERAGED LOANS - 66.1%  Aerospace & Defense - 1.6%  Sequa Corp., TL 1L 12/12  5.250%, 06/19/2017 (b)  5,493,930  3,616,84  Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14  7.750%, 04/01/2022 (b)  8,621,960  8,248,32  Hanson Building Products North America, TL 1L B 02/15  6.500%, 03/14/2022 (b)  8,082,595  7,617,84  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14  7,750%, 08/01/2022 (b)  268,490  254,11  Platform Specialty Products Corp., TL 1L 10/15  5.500%, 06/05/2020 (b)  2,598,597  2,423,19	1,0 .2,000	
LEVERAGED LOANS - 66.1%  Aerospace & Defense - 1.6%  Sequa Corp., TL 1L 12/12  5.250%, 06/19/2017 (b)  5,493,930  3,616,84  Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14  7.750%, 04/01/2022 (b)  8,621,960  8,621,960  8,248,32  Hanson Building Products North America, TL 1L B 02/15  6.500%, 03/14/2022 (b)  8,082,595  7,617,84  15,866,17  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14  7.750%, 08/01/2022 (b)  268,490  254,11  Platform Specialty Products Corp., TL 1L 10/15  5.500%, 06/05/2020 (b)  2,598,597  2,423,19		
Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17  Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		555,000,000
Aerospace & Defense - 1.6% Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8% Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17  Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
Sequa Corp., TL 1L 12/12 5.250%, 06/19/2017 (b) 5.493,930 3,616,84  Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
5.250%, 06/19/2017 (b) 5,493,930 3,616,84  Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32  Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
Building Products - 6.8%  Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	5,493,930	3,616,846
Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	0,.,0,,00	2,010,010
Gypsum Management & Supply, Inc., TL 2L 03/14 7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
7.750%, 04/01/2022 (b) 8,621,960 8,248,32 Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
Hanson Building Products North America, TL 1L B 02/15 6.500%, 03/14/2022 (b) 8,082,595 7,617,84 15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	8 621 960	8 248 328
6.500%, 03/14/2022 (b)  8,082,595 7,617,84 15,866,17  Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11  Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	0,021,700	0,210,320
15,866,17 Chemicals - 1.2% Emerald Performance Materials LLC, TL 2L 07/14 7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	8 082 595	7 617 846
Chemicals - 1.2%  Emerald Performance Materials LLC, TL 2L 07/14  7.750%, 08/01/2022 (b)  Platform Specialty Products Corp., TL 1L 10/15  5.500%, 06/05/2020 (b)  2,598,597  2,423,19	0,002,595	
Emerald Performance Materials LLC, TL 2L 07/14       268,490       254,11         7.750%, 08/01/2022 (b)       268,490       254,11         Platform Specialty Products Corp., TL 1L 10/15       2,598,597       2,423,19         5.500%, 06/05/2020 (b)       2,598,597       2,423,19		13,000,171
7.750%, 08/01/2022 (b) 268,490 254,11 Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19		
Platform Specialty Products Corp., TL 1L 10/15 5.500%, 06/05/2020 (b) 2,598,597 2,423,19	268 490	254 114
5.500%, 06/05/2020 (b) 2,598,597 2,423,19	200,170	234,114
	2 598 597	2 423 192
	2,370,371	2,677,306
		516,000 3,594,000 4,408,000 298,000 1,617,000 7,272,000 2,516,000 3,010,000 1,184,000 2,168,000 1,642,000 1,642,000 5,493,930 8,621,960 8,082,595

	Par	Value
LEVERAGED LOANS - 66.1% (continued)		
Communications Equipment - 0.0%		
Riverbed Technology, Inc., TL 1L 02/15		
6.000%, 04/25/2022 (b)	32,249	\$ 32,005
Diversified Telecommunication Services - 4.8%		
Lightower Fiber LLC, TL 2L 04/13		
8.000%, 04/12/2021 (b)	11,523,828	11,091,684
Electronic Equipment, Instruments & Components - 2.4%		
TTM Technologies, Inc., TL 1L B 02/15		
6.000%, 05/31/2021 (b)		